

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS**

August 16, 2010 – 7:00 PM

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING
.....

Present: Carl Ford, Chairman
Chad Mitchell, Vice-Chairman
Jon Barber, Member
Raymond Coltrain, Member
Tina Hall, Member

County Manager Gary Page, Clerk to the Board Carolyn Athey, County Attorney Jay Dees and Finance Director Leslie Heidrick were present.

Chairman Ford convened the meeting at 7:00 pm.

Commissioner Barber provided the Invocation and also led the Pledge of Allegiance.

CONSIDER APPROVAL OF THE MINUTES

Commissioner Barber moved, Commissioner Hall seconded and the vote to approve the minutes of the August 2, 2010 Commission Meeting passed unanimously.

CONSIDER ADDITIONS TO THE AGENDA

There were no additions to the agenda.

CONSIDER DELETIONS FROM THE AGENDA

There were no deletions from the agenda.

CONSIDER APPROVAL OF THE AGENDA

Commissioner Barber moved, Commissioner Mitchell seconded and the vote to approve the agenda passed unanimously.

1. CONSIDER APPROVAL OF CONSENT AGENDA

Commissioner Hall requested to move Consent Agenda items d and e to the regular agenda for discussion.

Chairman Ford moved the topics to items #5a and #5b respectively.

Commissioner Mitchell moved approval of the Consent Agenda as amended. The motion was seconded by Commissioner Barber and passed unanimously.

The Consent Agenda consisted of the following:

- A. Set Public Hearing for September 7, 2010 Regarding Financing of Satellite Jail
- B. Set Quasi-Judicial Hearing for September 7, 2010 for CUP 15-03 (Amendment)
- C. Award Service Sidearm to Retiring Sheriff's Deputy Perry Kimball
- D. Airport Maintenance Agreement (moved to agenda item #5a)
- E. Resolution Approving the Tax Administrator's Annual Settlement (moved to agenda item #5b)

2. PUBLIC COMMENT PERIOD

Chairman Ford opened the Public Comment Period to entertain comments from any citizens wishing to address the Board. The following individuals came forward:

- Ray Paradowski, Board of Trustee member for Rowan Cabarrus Community College (RCCC), spoke regarding the needs at the college and requested Board approval of the proposed bond referendum in the amount of \$18 million.
- Chip Short, Board of Trustee member for RCCC, spoke regarding the needs at the college, including an increased enrollment of 40%. Mr. Short felt a bond referendum was a sure way of addressing the needs and the future growth.
- Alana Miles, a student at RCCC, addressed the Board concerning the need for a bond referendum to meet the needs of the college. Ms. Miles asked for the Board's consideration on the matter.
- Tina Williams, a student at RCCC, discussed the issues that handicapped students must deal with at the college, which she felt were unacceptable.
- Dawn Evans, current student body president at RCCC, discussed the needed improvements facing RCCC.
- Larry Wright said the timing could not be worse for a bond referendum for RCCC and he asked the Board to consider saying no to the request.
- Jim Sides expressed his disgust with the proposed lease in the agenda packet for Smith Family Baseball.

With no one else wishing to address the Board, Chairman Ford closed the Public Comment Period.

3. PUBLIC HEARING FOR RURAL OPERATING ASSISTANCE PROGRAM

Senior Services Director Clyde Fahnestock and Department of Social Services Director Sandra Wilkes reviewed the Rural Operating Assistance Program (ROAP), which consolidated three (3) different transportation programs into a single application.

The Rowan Transit System (RTS) Advisory Committee submitted the following recommendations:

1. Apply for \$123,555 in Elderly & Disabled Transportation Assistance Program (EDTAP) funds. No matching funds are required. The following sub-allocations were recommended for Human Service Agencies:

Senior Services	\$37,616	Therapeutic Recreation	\$8,783
Vo. Opportunities	\$40,840	Piedmont Behavioral	\$3,925
Abundant Living	\$25,811	Medical Out-of-Town	\$6,580

2. Apply for \$155,461 in Rural General Public (RGP), which requires a match of \$17,273, or 10%.

3. Apply for \$43,647 in the Employment Transportation. No match required.

Chairman Ford opened the public hearing to receive citizen input regarding the ROAP application. With no one wishing to address the Board, Chairman Ford closed the public hearing.

Commissioner Barber moved to authorize the Board Chairman to execute the NCDOT Grant Certification Statement containing the standard assurances that Rowan County would use the ROAP funding in a manner consistent with applicable federal and state legislature. Commissioner Coltrain seconded and the motion passed unanimously.

4. CONSIDER APPROVAL OF RESOLUTION TO AUTHORIZE ROWAN CABARRUS COMMUNITY COLLEGE REFERENDUM ON THE NOVEMBER 2010 BALLOT

Dr. Carol Spalding, President of Rowan Cabarrus Community College (RCCC), provided a power point presentation regarding the proposed bond referendum for the college. Dr. Spalding discussed the positive returns for those served by the college.

Dr. Spalding said the college served over 20,000 individuals annually and that RCCC was the seventh largest and second fastest growing community college in North Carolina.

Dr. Spalding highlighted the capital projects and improvements needed at RCCC's Salisbury campus. Dr. Spalding said the bond proposal was the first since the college's beginning in 1961.

Using the power point presentation, Dr. Spalding showed pictures of the repairs needed and she discussed the necessary renovations and additional space needed to meet the growing enrollment.

Dr. Spalding provided a breakdown as to how the \$18 million in bond funds would be utilized.

In response to Commissioner Coltrain, Dr. Spalding discussed RCCC enrollment trends. Dr. Spalding said as long as unemployment was up, enrollment was up. Dr. Spalding said the college offered day classes, night classes and was preparing to offer weekend classes, in addition to online classes.

Commissioner Coltrain questioned the possibility of merging some buildings to save the costs of a new building. Dr. Spalding said the cost was per square foot and that she did not know if there would be a savings. Dr. Spalding said the square footage was needed.

Commissioner Coltrain asked if the college had discussed fire training facilities with the Rowan County Fire Association. Dr. Spalding said the option had been explored with the firefighters.

Commissioner Hall commented that the original 2010-11 budget request from the RCCC Board of Trustees was substantially lower than the proposed bond referendum. Commissioner Hall said the economy was difficult to say the least and that she was reluctant to support the request due to looming budget cuts by the state.

Dr. Spalding said that her Board had also anguished over the needs of the college.

Commissioner Hall moved to put a bond referendum on the ballot, based on the original request, rounded up to \$7.1 million. Chairman Ford seconded the motion.

Commissioner Coltrain asked what would be included in the \$7.1 million and Commissioner Hall said it would be up to the RCCC Board.

Chairman Ford asked County Manager Gary Page if a \$7.1 bond could be handled without a tax increase and Mr. Page said he did not see how it would be possible. Mr. Page said it would require a 0.7 cent tax increase for fifteen (15) years.

Dr. Spalding pointed out that interest rates were low and the construction jobs would be a good way to help people needing jobs. Dr. Spalding said while it did not seem like a good time for a lot of reasons, there were good things that would come from bond approval. Dr. Spalding felt a small bond would stymie the County when better facilities were needed to realize the future for students.

Mr. Page stated that bonds were an indication of voter support and resulted in banks giving the lowest interest rates. Mr. Page said the interest rate would be higher for a \$7.1 million bond.

Commissioner Barber asked if Commissioner Hall would accept an amendment to the motion to increase the amount to \$12 million. Chairman Ford said the motion could be amended, withdrawn, or that Commissioner Hall could stand pat since she had made the motion.

Commissioner Coltrain said he did not wish to take away from the importance of the fire training facility; however, he asked if dropping the facility from the bond request and reducing the amount to \$15 million was a possibility. Dr. Spalding said \$15 million was better than \$12 million and that she hoped the bond could solve many of the problems facing the college. Dr. Spalding said she appreciated the conversation and the Board trying to lower the bond amount in order to sell the bond referendum to the public.

Commissioner Coltrain felt the Board should allow the voters to decide.

Commissioner Hall inquired of Commissioner Barber as to what would be included in the \$12 million figure he had suggested. Commissioner Barber responded that it would be up to the RCCC Board to come back with a new priority list.

Commissioner Mitchell said he would support a \$12 million bond if the motion was amended.

Chairman Ford said the timing for the request was terrible due to the economy and that while he supported the college, he could not vote for a tax increase.

Commissioner Hall said she was trying to be a realist and that she would accept the amendment to the motion for \$12 million.

The amendment for \$12 million was seconded by Commissioner Mitchell.

Commissioner Coltrain said he would support \$12 million; however, he was in favor of letting the public decide on the \$18 million.

Chairman Ford asked if the bond could be approved without a tax increase. Mr. Page responded that he did not know how he could cut another million from the budget in the spring when the County was already expecting to cut \$1.5 million.

Commissioner Mitchell said the issue would be put before the voters for a tax increase.

Chairman Ford said while the voters would decide, he could never see himself voting for a tax increase.

Upon being put to a vote, the amended motion to support a \$12 million bond referendum on the ballot passed unanimously.

Commissioner Barber discussed minor changes needed for approval of the Resolution in the agenda packets. The changes were as follows: 1) Change the bond amount from \$18 million to \$12 million, and 2) Change the tax increase from 2¢ to not to exceed 1.25¢. Commissioner Barber put the changes into the form of a motion, which was seconded by Commissioner Mitchell and passed unanimously.

Chairman Ford called for a recess at 8:30 pm.

Chairman Ford reconvened the meeting at 8:45 pm.

5. DISCUSSION REGARDING STADIUM LEASE RENEWAL

County Manager Gary Page said there were many decisions that should have been made 15 years ago regarding the baseball stadium, including stadium ownership. Mr. Page said it was difficult to create a perfect solution 15 years later that would please all parties.

Mr. Page reported that he and the County Attorney had met with officials from Smith Family Baseball and the City of Kannapolis (City) to discuss renewal of the existing stadium lease, which was set to expire September 30, 2010. Mr. Page said the Smith Family had an option to renew the existing lease for another 5-year term.

Mr. Page said the current lease failed to allow profitability for the Smith Family, did not address how to make long-term capital repairs, or resolve the ownership question between the City and the County.

Mr. Page proposed the following terms for a new amended lease, to be effective October 1, 2010:

1. Smith Family Baseball be allowed an option for ten (10) years instead of five (5) years.

2. Smith Family Baseball be allowed to operate or use the Stadium for the entire year, collecting and retaining all generated revenues.
3. Smith Family Baseball be responsible for the payment of all operating expenses including utilities, general repairs, mowing, landscaping, refuse collection and water and sewer bills.
4. These expenses shall be recognized as those costing up to \$5,000 in value.
5. The County will assign naming rights for the Stadium to Smith Family Baseball for additional revenue to support team operations.
6. Smith Family Baseball will pay to the City and the County \$25,000 per year in rent to be placed in the Sports Authority Fund.
7. The City shall contribute \$50,000 per year to the Sports Authority Fund for the purpose of making capital improvements for expenses exceeding \$5,000 in value.
8. The City will acknowledge the Stadium ownership as: 75% County and 25% City.
9. The \$50,000 annual contribution from the City for capital improvements shall accrue each year towards their increased ownership percentage.
10. The owners (City and County) shall reserve the right to approve all non-baseball events in advance for "appropriateness".
11. The owners retain the right to use a suite, and access to twelve (12) tickets per game.
12. Smith Family Baseball shall identify each year the most pressing needs of the Stadium to be presented to the Rowan County Manager and Kannapolis City Manager for their joint review and approval for payment from the Sports Authority Fund.
13. That signage be placed at the Stadium to acknowledge a partnership between Smith Family Baseball, the City and County for support of the facility and operation.

Mr. Page said most city or county projects are not created to make money but rather they are a contributing factor to the quality of life for the community. Mr. Page said from day one there was an issue of whether the stadium would ever pay for itself.

Mr. Page expressed hope that the Board would view the proposal as a starting point; however, he said he was uncertain if the City of Kannapolis (City) would agree to the terms. Mr. Page said if the Board was in agreement, the County Attorney could be instructed to draft a lease in an effort to get approval from all three (3) parties involved (County, City, and Smith Family).

Commissioner Barber moved to accept the discussions on the issue and to instruct the County Manager and County Attorney to prepare a lease agreement for the Board's consideration for the first or second meeting in September. The motion was seconded by Commissioner Coltrain.

Commissioner Hall said the proposal should be for the taxpayers since the County had put an overwhelming amount of funds into the stadium. Commissioner Hall questioned the availability of Smith Family Baseball's financial statements and said she needed to review them before she could become serious in the discussions. Commissioner Hall also stated that she would be more comfortable with a five-year lease with an option for renewal instead of a ten-year lease. Commissioner Hall said she could compromise on allowing the Smith Family to have the stadium year round in order to bring in other events; however, she felt the County should reserve the right to approve non-baseball events.

In regards to a query from Commissioner Hall, Finance Director Leslie Heidrick said it was not part of the current lease for the Smith Family to provide their financial statements. Commissioner Hall said the Smith Family should be willing to turn over to the financial information to the taxpayers.

Mr. Page said the City was watching the terms of the agreement and that the agreement was an opportunity to clear up the ownership issue without having to go to court. Mr. Page said if the terms were not acceptable, the County would revert to the 2000 lease and also have to go to court to resolve ownership.

Commissioner Hall asked if Mr. Page had negotiated with the City Manager and Mr. Page said yes; however, the agreement must still be approved by the City Council.

Commissioner Hall felt the proposal was unfair to the taxpayers.

Commissioner Mitchell provided his opinion regarding the proposal as follows:

- Item #1 - Would be okay with the premise and would prefer to see it combined with item #6; would like to see an increase in the \$25,000 per year, whether by CPI or other calculation, if not in the first five years, in the renewal period.
- Item #2 - Felt the best bet was to have a baseball team functional in the facility.
- Item #3 - Agreeable.
- Item #4 - Agreeable.
- Item #5 - Would like to see the issue cleared up that the naming rights are in exchange for capital expenses and that the County is not putting anymore funds into the facility.
- Item #6 - Agreeable.
- Item #7 - Would like to see language encouraging that the \$300,000 currently in the Sports Authority Fund will not be spent down for as long as possible.
- Item #8 - Appreciative that the ownership issue will be addressed in the lease.

- Item #9 - Least favorite portion of the proposal and would be happier if this portion could be left out
- Item #10 - Agreeable.
- Item #11 – Agreeable.
- Item #12 - The County can keep an eye on expenditures.
- Item #13 – Agreeable.

Commissioner Mitchell felt with minor changes the County could resolve the issues at the stadium and stop Rowan County tax dollars from continuing to go into the stadium. Commissioner Mitchell pointed out that without the lease, the County would continue to pay for expenses, or else the stadium would not have a team. Commissioner Mitchell said the Board was now trying to clear up issues that were 15 years old and that he felt the proposal was the closest agreement that had the ability to pass.

Commissioner Coltrain agreed with Commissioner Mitchell and said there was no dollar value to put on enjoyment of life. Commissioner Coltrain said it would be a worse scenario for the Board to do nothing and he added that every activity at the stadium created the potential for tax revenue. Commissioner Coltrain agreed with moving forward with the proposal.

Commissioner Barber agreed with Commissioner Mitchell and said he did not want the County to spend another penny at the stadium. Commissioner Barber said an agreement was needed regarding the ownership issue and that he hoped the Board could vote on the proposal no later than the second meeting in September.

In response to a query from Commissioner Hall, Mr. Page clarified items #3 and #4 in the proposal.

Chairman Ford said he would like to look at a profit/loss statement from the Smith Family. Chairman Ford provided his opinion on the following items in the proposal:

- Item #1 - Would like to see five-year terms.
- Item #2 - No problem with this item but would like to see a profit/loss statement.
- Item #5 - Perhaps Smith Family would be agreeable to a 50-50 split on the naming rights.
- Item #6 – Would like to see this changed to the General Fund.
- Item #7 – No problem with this and would possibly like to see the City contribute more.
- Item #8 – Resolving the ownership issue would save the County legal fees.
- Item #9 – Would need to study this issue before agreeing.
- Item #10 – No problem with this item.
- Item #11 – No problem with this item.

- Item #12 – Do not generally have a problem with this item; however, he would not mind if the major items came before the City Council and Commissioners.
- Item#13 – Questioned why the City and especially the County had not been recognized for the past 15 years at the stadium.

Chairman Ford said he was not in favor of giving away the stadium but he wanted to move forward and stop putting money into the stadium.

Chairman Ford said there was a motion and second on the floor to move the proposal forward.

County Attorney Jay Dees said there was no way he could draft a lease amendment based on what had been said. Mr. Dees said he did not see the value of spending his time in creating a document the Board would continue to discuss at the next meeting. Mr. Dees suggested looking at the term sheet and then moving into a final draft agreement. Mr. Dees said if a term sheet could be presented and the other parties were in agreement, a final document could be drafted.

Commissioner Mitchell said the Board could take straw votes on each item of the term sheet at the next meeting in order to determine where the majority stood. Commissioner Mitchell said the votes would give Mr. Dees some direction as to what to present to the other parties.

Commissioner Hall said she felt the Board needed the financial information from the Smith Family before taking the straw votes.

Commissioner Mitchell asked Ms. Heidrick if she had the information from the Smith Family as currently required in the lease and Ms. Heidrick said yes. Commissioner Mitchell requested that Ms. Heidrick forward the information to the Board. Commissioner Mitchell did not feel the Board would receive the additional financial information from the Smith Family since it was not required in the lease.

Commissioner Coltrain agreed with Commissioner Mitchell.

Chairman Ford referred to item #2 in the proposal and said if the Smith Family was going to retain all generated revenues, he wanted to see the information.

Commissioner Mitchell asked the County Manager to inquire if the Smith Family would provide the information. Mr. Page responded that he would inquire and would also question the perspectives on the naming rights. Mr. Page said after he shares the Board's terms with the City Manager, he expected him to share the information with City Council. Mr. Page said if City Council was not interested, the County must start again.

Commissioner Barber rescinded his earlier motion.

Chairman Ford said the Board would look at the terms at the next meeting and take straw votes.

5a. AIRPORT MAINTENANCE AGREEMENT

(This issue was pulled from the Consent Agenda, item d)

In response to Commissioner Hall, County Manager Gary Page briefly reviewed the agreement in the agenda packet. Mr. Page said the agreement privatized airport maintenance and would save the County approximately \$75,000 annually.

Commissioner Barber moved, Commissioner Coltrain seconded and the motion for approval of the Airport Maintenance Agreement passed unanimously.

5b. Resolution Approving the Tax Administrator's Annual Statement

(This issue was pulled from the Consent Agenda, item e)

At the request of Commissioner Hal, Finance Director Leslie Hedrick highlighted the Tax Administrator's Annual Statement. Ms. Heidrick stated the Board was being asked for approval to write off taxes totaling \$106,644.83.

Commissioner Mitchell moved, Commissioner Barber seconded and the vote to for approval of the Resolution passed unanimously.

The Resolution and Tax Administrator's Annual Settlement are hereby attached and incorporated into these minutes.

6. COUNTY MANAGER'S MONTHLY ACTIVITY REPORT TO THE BOARD

Commissioner Mitchell moved to accept the County Manager's Monthly Activity Report to the Board. The motion was seconded by Commissioner Coltrain and passed unanimously.

7. CONSIDER APPROVAL OF BUDGET AMENDMENTS

Finance Director Leslie Heidrick presented the following budget amendment for the Board's consideration:

- Finance – To appropriate revenues, fund balance and expenditures for fiscal year 2010 encumbrances - \$779,464

Commissioner Mitchell moved approval of the budget amendments as presented. The motion was seconded by Commissioner Barber and passed unanimously.

8. CONSIDER APPROVAL OF BOARD APPOINTMENTS **CENTRALINA WORKFORCE DEVELOPMENT BOARD**

Stacy Burns was appointed to serve by the Board at the July 21, 2010 meeting for a term of one (1) year beginning July 1, 2010 and expiring June 30, 2011.

According to Centralina, Ms. Burns should have been appointed for a two (2) year term beginning July 1, 2010 and expiring June 30, 2012. The Board is asked to approve this correction.

Commissioner Mitchell moved, Commissioner Barber seconded and the vote to correct the terms for Stacy Burns to July 1, 2010 through June 30, 2012 passed unanimously.

CRIMINAL JUSTICE PARTNERSHIP PROGRAM (CJPP)

The CJPP recommended the reappointment of:

- Earle Koontz – Criminal Defense Attorney
- Rev. Michael Taylor – At Large
- Sylvia Warren – Probation Office

The terms would be for three (3) years beginning July 1, 2010 and expiring June 30, 2013.

Commissioner Barber nominated the reappointment of Earl Koontz, Rev. Michael Taylor and Sylvia Warren and the nomination passed unanimously.

ADULT CARE HOME COMMUNITY ADVISORY COMMITTEE

Monica Foster submitted an application for consideration. The term would be for one (1) year beginning September 1, 2010 and expiring August 31, 2011.

Commissioner Mitchell nominated Monica Foster and the nomination carried unanimously.

ROWAN COUNTY HOUSING AUTHORITY

Karl Eric Beaver submitted an application for reappointment. In order for Mr. Beaver to be reappointed, the Board would need to waive the term limits set in the Resolution passed by the Board in September 2009. If approved, the term would be for five (5) years beginning September 1, 2010 and expiring August 31, 2010.

Chairman Ford commented that Mr. Beaver had been serving on the board since 1988.

Commissioner Mitchell moved to pull from the appointment from the agenda and to re-advertise the vacancy. Commissioner Barber seconded and the motion passed unanimously.

ROWAN COUNTY TOURISM DEVELOPMENT AUTHORITY

Millie Cress submitted an application for reappointment. The term would be for two (2) years beginning September 1, 2010 and expiring August 31, 2012.

Dan Peters (At Large) has completed his allowable number of terms. Krista Osterweil has submitted an application for this At Large position. The term would be for two (2) years beginning September 1, 2010 and expiring August 31, 2012.

Commissioner Mitchell nominated Mille Cress for reappointment and the nomination passed unanimously.

Chairman Ford pointed out that Ms. Osterweil also served on the Salisbury TDA.

Commissioner Mitchell moved to delay the appointment for two (2) weeks. The motion was seconded by Commissioner Barber and the motion passed unanimously.

9. ADJOURNMENT

There being no further business to come before the Board, Commissioner Mitchell moved to adjourn at 10:18 pm. The motion was seconded by Commissioner Barber and passed unanimously.

Respectfully Submitted,

Carolyn Athey, CMC, NCCCC
Clerk to the Board/Assistant to the County Manager